

Brett Oils Limited

Report and Financial Statements

31 March 2011

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COMPANIES HOUSE

Directors

R M Brett (Chairman)
A R Brett
A D Brett

Auditors

Ernst & Young LLP
Citygate
St James' Boulevard
Newcastle upon Tyne NE1 4JD

Bankers

National Westminster Bank Plc
87 Grey Street
Newcastle upon Tyne NE99 1PY

Solicitors

Dickinson Dees
St Ann's Wharf
112 Quayside
Newcastle upon Tyne NE99 1SB

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne NE1 4BF

Registered Office

Pipewellgate
Gateshead
Tyne and Wear NE8 2BN

Directors' report

The directors submit their report and financial statements for the year ended 31 March 2011

Results and dividends

The group profit for the year, after taxation, amounted to £61,547 (2010 – loss of £140,530) which has been added to reserves. The directors do not recommend payment of a dividend.

Principal activities

The principal activity during the year was the development of properties.

Business review and future developments

The group continued its development activities in respect of properties at Gateshead and Lincoln during the year under review. The Lincoln property was developed and sold in the year.

The directors are of the opinion that the market value of land included in stock of development properties is in excess of the carrying value included in the financial statements.

The directors have considered the group's current and future prospects and its availability of cash resources and financing, and are satisfied that the group can continue to pay its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. For this reason the directors continue to adopt the going concern basis of preparation for these financial statements.

Directors

The directors who served the company during the year and those appointed subsequently were as follows:

R M Brett (Chairman)
A R Brett
A D Brett

Mr R M Brett, the director retiring by rotation, retires from the Board at the Annual General Meeting and, being eligible, offers himself for re-election.

Political and charitable contributions

During the year, the company made charitable contributions of £nil (2010 – £nil).

Financial risk management policy

The group's principal financial investments comprise cash, cash equivalents and loans. Other financial assets and liabilities, such as trade creditors and trade debtors, arise directly from the company's operating activities.

The main risks associated with the group's financial assets and liabilities are set out below.

Interest rate risk

The group invests surplus cash in a floating rate interest yielding bank deposit account and has access to a floating rate interest bearing overdraft facility. Term loans are entered into at floating interest rates. The group's interest income and expense are therefore affected by movements in interest rates. The group does not undertake any hedging activity.

Credit risk

The group has minimal external debtors, however, where external debtors do arise the group undertakes assessments of its customers in order to ensure that credit is not extended where there is a likelihood of default.

Directors' report (continued)

Financial risk management policy (continued)

Liquidity risk

The group aims to mitigate liquidity risk by managing cash generated by its operations

Foreign currency risk

The group does not have any foreign currency transactions and therefore is not exposed to any foreign currency risk

Small company exemptions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to re-appoint Ernst & Young LLP as the Company's auditors will be put to the forthcoming Annual General Meeting

On behalf of the Board



R M Brett
Director

20 December 2011

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

to the members of Brett Oils Limited

We have audited the financial statements of Brett Oils Limited for the year ended 31 March 2011 which comprise the Group Profit and Loss Account, the Note of Group Historical Cost Profit and Losses, the Group Statement of Total Recognised Gains and Losses, the Group and Parent Company Balance Sheets, the Group Statement of Cash Flows, and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Group profit and loss account

for the year ended 31 March 2011

	<i>Notes</i>	<i>2011</i> £	<i>2010</i> £
Turnover	2	300,000	–
Cost of sales		212,484	2,668
Gross profit/(loss)		<u>87,516</u>	<u>(2,668)</u>
Distribution and marketing costs		652	8,169
Administrative expenses		35,978	140,977
		<u>36,630</u>	<u>149,146</u>
Operating profit/(loss)	3(a)	50,886	(151,814)
Interest receivable	6	10,672	11,288
Interest payable	7	(11)	(4)
Profit/(loss) on ordinary activities before taxation		<u>61,547</u>	<u>(140,530)</u>
Tax charge on profit/(loss) on ordinary activities	8	–	–
Profit/(loss) for the financial year	19	<u>61,547</u>	<u>(140,530)</u>

Note of group historical cost profits and losses for the year ended 31 March 2011

	<i>2011</i> £	<i>2010</i> £
Reported profit/(loss) on ordinary activities before taxation	61,547	(140,530)
Difference between a historical cost depreciation charge and the Actual depreciation charge calculated on the revalued amount	5,000	5,000
Historical cost profit/(loss) on ordinary activities before taxation	<u>66,547</u>	<u>(135,530)</u>
Historical cost profit/(loss) for the year retained after taxation	<u>66,547</u>	<u>(135,530)</u>

A statement of movement on reserves can be found in note 19

Group statement of total recognised gains and losses
for the year ended 31 March 2011

	<i>2011</i>	<i>2010</i>
	<i>£</i>	<i>£</i>
Profit/(loss) for the financial year	61,547	(140,530)
Total recognised gains and losses related to the year	<u>61,547</u>	<u>(140,530)</u>

Independent auditors' report

to the members of Brett Oils Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company's financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Darren Rutherford (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle upon Tyne
20 December 2011

Group balance sheet

at 31 March 2011

	<i>Notes</i>	<i>2011</i> £	<i>2010</i> £
Fixed assets			
Intangible assets	10	–	–
Tangible assets	11	–	15,206
		<u>–</u>	<u>15,206</u>
Current assets			
Stocks	13	309,863	377,863
Debtors	14	280,488	271,039
Cash at bank and in hand	15	195,466	74,618
		<u>785,817</u>	<u>723,520</u>
Creditors amounts falling due within one year	16	8,573	23,029
		<u>777,244</u>	<u>700,491</u>
Net current assets		<u>777,244</u>	<u>700,491</u>
Total assets less current liabilities		<u>777,244</u>	<u>715,697</u>
Creditors amounts falling due after more than one year			
	17	44,928	44,928
		<u>44,928</u>	<u>44,928</u>
		<u>732,316</u>	<u>670,769</u>
Capital and reserves			
Called up share capital	18	51,676	51,676
Revaluation reserve	19	238,750	298,750
Capital redemption reserve	19	203,396	203,396
Other reserves	19	7,641	7,641
Profit and loss account	19	230,853	109,306
		<u>732,316</u>	<u>670,769</u>
Shareholders' funds	20	<u>732,316</u>	<u>670,769</u>

The financial statements have been approved by the Board on 20 December 2011 and signed on their behalf by



R M Brett
Director

Company balance sheet

at 31 March 2011

	<i>Notes</i>	<i>2011</i>	<i>2010</i>
		<i>£</i>	<i>£</i>
Fixed assets			
Tangible assets	11	–	15,206
Investments	12	–	–
		–	15,206
Current assets			
Stocks	13	309,863	377,863
Debtors	14	280,488	271,039
Cash at bank and in hand	15	195,466	74,618
		785,817	723,520
Creditors amounts falling due within one year	16	8,573	23,029
		777,244	700,491
Net current assets			
		777,244	715,697
Total assets less current liabilities			
		777,244	715,697
Creditors amounts falling due after more than one year	17	55,452	55,452
		55,452	55,452
		721,792	660,245
Capital and reserves			
Called up share capital	18	51,676	51,676
Revaluation reserve	19	238,750	298,750
Capital redemption reserve	19	203,396	203,396
Profit and loss account	19	227,970	106,423
		721,792	660,245
Shareholders' funds			
		721,792	660,245

The financial statements have been approved by the Board on 20 December 2011 and signed on their behalf by



R M Brett
Director

Group statement of cash flows

for the year ended 31 March 2011

	<i>Notes</i>	<i>2011</i> £	<i>2010</i> £
Net cash inflow/(outflow) from operating activities	3(b)	93,638	(128,875)
Returns on investment and servicing of finance			
Interest received		10,672	11,288
Interest paid		(11)	(4)
Net cash inflow from returns on investment and servicing of finance		10,661	11,284
Taxation			
Corporation tax paid		(2,701)	(19,422)
Tax paid		(2,701)	(19,422)
Capital expenditure			
Receipts from sales of tangible fixed assets		19,250	1
		19,250	1
Increase/(decrease) in cash	15	120,848	(137,012)
Reconciliation of net cash flow to movement in net funds			
		<i>2011</i> £	<i>2010</i> £
Increase/(decrease) in cash		120,848	(137,012)
Net funds at 1 April	15	74,618	211,630
Net funds at 31 March	15	195,466	74,618

Notes to the financial statements

at 31 March 2011

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain freehold land and buildings and plant and equipment

Basis of consolidation

The group financial statements consolidate the financial statements of Brett Oils Limited and all its subsidiary undertakings drawn up to 31 March. No profit and loss account is presented for Brett Oils Limited as permitted by Section 408 of the Companies Act 2006

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows

Freehold buildings	–	over 40 years
Plant and equipment	–	over 5 to 10 years
Motor vehicles	–	over 4 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Government grants

Government grants on capital expenditure are deducted from the cost of the assets to which they relate

Stocks

Development properties have been transferred to stock from fixed assets at their net book value

Other stocks are stated at the lower of cost and net realisable value as follows

Costs incurred in bringing each product to its present location and condition

Raw materials	–	purchase cost on a first in, first out basis
Finished goods	–	cost of direct materials

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

- Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted
- Provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets
- Provision is made for gains on revalued fixed assets only where there is a commitment to dispose of the revalued assets and the attributable gain can neither be rolled over or eliminated by capital losses

Notes to the financial statements

at 31 March 2011

1. Accounting policies (continued)

Deferred taxation (continued)

Deferred taxation is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Leasing and hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease on a straight-line basis

Rentals paid under operating leases are charged to income over the term of the lease

Goodwill

Goodwill is the difference between the cost of an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

Pensions

The company operates a defined contribution pension scheme (the Group Personal Plan). Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme

2. Turnover

Turnover represents the invoiced amount of goods sold and services provided during the year, stated net of value added tax. Turnover is attributable to the continuing principal activities of the company

All of the company's turnover arose in the United Kingdom

3. Operating profit/(loss)

(a) This is stated after charging/(crediting)

	2011	2010
	£	£
Auditors' remuneration	2,750	3,000
Non audit services – taxation services	5,140	1,400
Depreciation of owned fixed assets	–	1,540
Depreciation of development properties held in stocks	8,000	8,000
(Profit)/loss on disposal of tangible fixed assets	(4,044)	16,936

Notes to the financial statements

at 31 March 2011

3. Operating profit/(loss) (continued)

(b) Reconciliation of operating profit/(loss) to net cash outflow from operating activities

	2011	2010
	£	£
Operating profit/(loss)	50,886	(151,814)
Depreciation	8,000	9,540
(Profit)/loss on disposal of fixed assets	(4,044)	16,936
Decrease in stocks	60,000	–
(Increase)/decrease in debtors	(6,976)	72,740
Decrease in creditors	(14,228)	(35,422)
Decrease in other provisions	–	(2,412)
Other provisions utilised	–	(38,443)
Net cash inflow/(outflow) from operating activities	<u>93,638</u>	<u>(128,875)</u>

4. Directors' remuneration

	2011	2010
	£	£
Emoluments	–	96,266
The emoluments in respect of the highest paid director are as follows		
Emoluments	–	56,365
Company contributions paid to money purchase pension schemes	–	10,500

5. Staff costs

	2011	2010
	£	£
Wages and salaries	1,564	86,969
Social security costs	–	1,426
Other pension costs	400	15,044
	<u>1,964</u>	<u>103,439</u>

The average monthly number of employees during the year was made up as follows

	2011	2010
	No	No
Office and management	2	2
Distribution and marketing	1	1
	<u>3</u>	<u>3</u>

Notes to the financial statements

at 31 March 2011

6. Interest receivable

	2011	2010
	£	£
Bank interest	779	485
Other interest receivable	9,893	10,803
	<u>10,672</u>	<u>11,288</u>

7. Interest payable

	2011	2010
	£	£
Corporation tax	11	4
	<u>11</u>	<u>4</u>

8. Tax

(a) Analysis of tax charge in the year

	2011	2010
	£	£
<i>UK Corporation tax</i>		
Total current tax (note 8(b))	-	-
	<u>-</u>	<u>-</u>

(b) Factors affecting tax for the year

The tax assessed on the profit/(loss) on ordinary activities for the year is higher (2010 – higher) than the standard rate of corporation tax in the UK of 20% (2010 – 21%)

The differences are reconciled below

	2011	2010
	£	£
Profit/(loss) on ordinary activities before tax	61,547	(140,530)
Profit/(loss) on ordinary activities before tax at 20% (2010 – 21%)	<u>12,309</u>	<u>(29,511)</u>
<i>Effects of</i>		
Profits not chargeable for tax purposes	(17,503)	-
Expenses not deductible for tax purposes	1,584	1,106
Accelerated/decelerated capital allowances	(6,224)	(1,679)
Losses not relieved against current tax	9,834	30,084
Total current tax (note 8(a))	<u>-</u>	<u>-</u>

(c) Factors that may affect future tax charges

The company has taxable losses of £2,094,459 in relation to the property development trade available to carry forward against future taxable profits

No deferred tax asset has been recognised on these losses as the directors are not certain when future taxable profits will arise

Notes to the financial statements

at 31 March 2011

9. Profit/(loss) attributable to members of the parent undertaking

The profit dealt with in the financial statements of the parent undertaking was £61,547 (2010 – loss of £140,530)

10. Intangible fixed assets

<i>Group</i>	<i>Goodwill</i> £
Cost At 1 April 2010 and 31 March 2011	239,879
Amortisation At 1 April 2010 and 31 March 2011	239,879
Net book value at 1 April 2010 and 31 March 2011	-

Goodwill which arose on the consolidation of Velvetone Oil and Chemical Company Limited was amortised over the directors' estimate of its useful economic life of 8 years

Notes to the financial statements

at 31 March 2011

11. Tangible fixed assets

Group and company

	<i>Plant and equipment at valuation £</i>	<i>Other plant and equipment at cost £</i>	<i>Motor vehicles £</i>	<i>Total £</i>
Cost or valuation				
At 1 April 2010	300,493	452,717	76,021	829,231
Disposals	–	–	(76,021)	(76,021)
At 31 March 2011	<u>300,493</u>	<u>452,717</u>	<u>–</u>	<u>753,210</u>
Depreciation				
At 1 April 2010	300,493	452,717	60,815	814,025
Provided during the year	–	–	–	–
Disposals	–	–	(60,815)	(60,815)
At 31 March 2011	<u>300,493</u>	<u>452,717</u>	<u>–</u>	<u>753,210</u>
Net book value				
At 31 March 2011	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
At 1 April 2010	<u>–</u>	<u>–</u>	<u>15,206</u>	<u>15,206</u>

Group and company

In May 2001, all the company's manufacturing, storage and distribution plant and equipment was independently valued by Rushton International Limited, Asset Valuers, Surveyors and Auctioneers. The valuation has not been updated following the sale of the company's lubricants and fuels businesses. Other plant and equipment continues to be shown at cost, including laboratory and computer equipment, fixtures and fittings, furniture and office machinery. The historical cost of plant and equipment included at valuation is as follows:

	<i>2011 £</i>	<i>2010 £</i>
Historical cost	240,493	240,493
Accumulated depreciation	(240,493)	(240,493)
Historical net book value at 31 March	<u>–</u>	<u>–</u>

Notes to the financial statements

at 31 March 2011

12. Investments

Group

Other fixed asset investments

	<i>Listed</i>	<i>Total</i>
	£	£
Cost		
At 1 April 2010 and 31 March 2011	–	–

Company

	<i>Subsidiary</i>	<i>Other</i>	<i>Total</i>
	<i>undertakings</i>	<i>investments</i>	<i>as above</i>
	£	£	£
Cost			
At 1 April 2010 and 31 March 2011	–	–	–

Details of the investments in which the company holds at least 20% of the nominal value of any class of share capital are as follows

<i>Name of company</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
Brett Oils Realisations Limited (formerly Brett Fuels Limited)	Ordinary shares	100%	Dormant
Pipewellgate Properties Limited	Ordinary shares	100%	Dormant
Brett's Lubricants Limited	Ordinary shares	100%	Dormant
Star Lubricants Limited	Ordinary shares	100%	Dormant
Velvetone Oil & Chemical Company Limited	Ordinary shares	100%	Dormant

13. Stocks

	<i>Group and company</i>	
	<i>2011</i>	<i>2010</i>
	£	£
Development properties transferred from fixed assets	309,863	377,863
Development properties comprise		
	<i>2011</i>	<i>2010</i>
	£	£
Freehold properties at valuation – November 2002	309,863	317,863
Freehold properties at valuation – July 2000	–	60,000
	<u>309,863</u>	<u>377,863</u>

Notes to the financial statements

at 31 March 2011

14. Debtors

	<i>Group and company</i>	
	<i>2011</i>	<i>2010</i>
	£	£
Trade debtors	925	1,630
Other debtors	225,031	217,140
Prepayments and accrued income	-	210
Corporation tax recoverable	54,532	52,059
	<u>280,488</u>	<u>271,039</u>

Included in other debtors are loans to directors which are due to be repaid after more than one year (see note 23)

15. Analysis of net funds

	<i>2011</i>	<i>2010</i>
	£	£
Cash at bank and in hand	195,466	74,618

16. Creditors: amounts falling due within one year

	<i>Group and company</i>	
	<i>2011</i>	<i>2010</i>
	£	£
Trade creditors	1,960	3,232
Accruals	4,140	17,096
Corporation tax	2,473	2,701
	<u>8,573</u>	<u>23,029</u>

17. Creditors: amounts falling due after more than one year

	<i>Group</i>		<i>Company</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	£	£	£	£
Non equity preference share capital	44,928	44,928	44,928	44,928
Amount due to subsidiary undertakings	-	-	10,524	10,524
	<u>44,928</u>	<u>44,928</u>	<u>55,452</u>	<u>55,452</u>

Notes to the financial statements

at 31 March 2011

18. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>2011</i> <i>£</i>	<i>No</i>	<i>2010</i> <i>£</i>
Ordinary shares of £1 each – equity	51,676	51,676	51,676	51,676

19. Reserves

<i>Group</i>	<i>Revaluation reserve</i> <i>£</i>	<i>Capital redemption reserve</i> <i>£</i>	<i>Other reserves</i> <i>£</i>	<i>Profit and loss account</i> <i>£</i>
At 1 April 2010	298,750	203,396	7,641	109,306
Profit for the year	–	–	–	61,547
Realised on disposal of investment property	(55,000)	–	–	55,000
Depreciation of revalued assets	(5,000)	–	–	5,000
At 31 March 2011	238,750	203,396	7,641	230,853

<i>Company</i>	<i>Revaluation reserve</i> <i>£</i>	<i>Capital redemption reserve</i> <i>£</i>	<i>Profit and loss account</i> <i>£</i>
At 1 April 2010	298,750	203,396	106,423
Profit for the year	–	–	61,547
Realised on disposal of investment property	(55,000)	–	55,000
Depreciation of revalued assets	(5,000)	–	5,000
At 31 March 2011	238,750	203,396	227,970

Notes to the financial statements

at 31 March 2011

20. Reconciliation of shareholders' funds

Group

	<i>2011</i>	<i>2010</i>
	£	£
At 1 April	670,769	811,299
Profit/(loss) for the year	61,547	(140,530)
At 31 March	<u>732,316</u>	<u>670,769</u>

21. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2010 – £45,000)

22. Pension commitments

The company operates a defined contribution pension scheme (the Group Personal Pension Plan), the assets of which are held in individual personal pension contracts with Standard Life. Unpaid contributions at the year end were £nil (2010 – £nil)

23. Related party transactions

Secured loans have been made to directors as follows

	<i>At</i>		<i>At</i>
	<i>1 April</i>	<i>Advances</i>	<i>31 March</i>
	<i>2010</i>	<i>during year</i>	<i>2011</i>
	£	£	£
A D Brett	97,931	4,652	102,583
R M Brett	75,048	3,565	78,613
A R Brett	35,254	1,674	36,928
	<u>208,233</u>	<u>9,891</u>	<u>218,124</u>

Interest is charged at the higher of 2% per annum over National Westminster Bank base rate and 4.75%. The loans together with interest charged up to the year end are disclosed in other debtors in note 14 to the financial statements. The loans are due to be repaid in full by 31 March 2013.

24. Ultimate controlling party

The company is considered under the control of its directors by virtue of their holdings in the ordinary share capital of the company.